



STATE OF ARKANSAS / Public School Retiree  
Health Insurance Continuation Information  
**2004-2005 Plan Year**



Provided by:  
**Employee Benefits Division**  
Department of Finance & Administration  
P. O. Box 15610  
Little Rock, AR 72231-5610  
Ph. 501-682-9656  
Toll Free 877-815-1017  
[www.ARBenefits.org](http://www.ARBenefits.org)



STATE OF ARKANSAS  
Department of Finance  
and Administration

Employee Benefits Division

P.O. Box 15610  
Little Rock, Arkansas 72231-5610  
Phone (501) 682-9656  
Toll-Free (877) 815-1017  
FAX (501) 682-2366  
<http://www.arkansas.gov/dfa/ebd>

***Dear Public School Health Insurance Plan Member,***

Upon retirement from your district, you and your dependents are eligible to continue health coverage through several options which are outlined in detail below. **The necessary forms must be submitted to our office within 31 days of your retirement date.**

OPTION A – Health and Life Insurance Continuation under Retirement System

If you are eligible for a retirement benefit from one of the participating retirement systems\*, you may continue your current health coverage in the retirement group by having the insurance premium deducted from your retirement check. Complete the form titled "Arkansas Public School Retiree Payroll Deduction Authorization" (#6200-f-1b) enclosed in this packet. **This is the form that notifies us of your intention to continue your health insurance.** Mail this form to the Employee Benefits Division at the mailing address on this letterhead. If your retirement benefit amount is inadequate to cover the insurance premiums, you will also be asked to set up a bank draft by completing the enclosed form, "Authorization Agreement for Pre-Authorization Payments (#6200-f-7b)."

OPTION B – COBRA Continuation ONLY

The Consolidated Omnibus Reconciliation Act of 1985 (COBRA) allows for continuation of health benefits after termination or retirement. If you are not eligible for retirement benefits from one of the participating retirement systems\* and would like to retain your current health benefits, you may continue your health insurance for a period of 18 months as a COBRA Continuant. If you have not received a COBRA Election Form in the mail within 14 days of your last date of employment, please contact the Employee Benefits Division at the phone number at the top of this letter.

OPTION C – COBRA until retirement benefits begin

If you are eligible for retirement (i.e. have enough years of service) but will not immediately receive a retirement benefit, you may choose health insurance coverage under COBRA for a maximum of 18 months (or until you are eligible to receive a retirement check if within the 18 month period). To enroll under COBRA, please read and complete the COBRA Election form that will be mailed to your home. When your retirement benefit begins, you may change to the retirement group by contacting the Employee Benefits Division. You will not be eligible to reapply for life insurance under this option. Choosing the COBRA option automatically cancels your USABLE life insurance policy. A conversion to an individual policy is not offered in this situation. *NOTE: It is the responsibility of the retiree to notify the Employee Benefits Division at least two (2) months before COBRA expires in order to make arrangements to change to the regular retiree group health insurance program.*

OPTION D – COBRA when retirement benefits are available

If you are eligible for retirement benefits from one of the participating retirement systems\* when you retire, you may continue your health insurance through COBRA if you so choose. COBRA payments are made by bank draft. A bank draft payment is established by completing the “Authorization Agreement for Pre-Authorization Payments (#6200-f-7b)” included in this packet. At the end of your COBRA benefit eligibility period (18 months) you will need to change to the retiree insurance group in order to continue your health insurance. There are two very important factors to consider when choosing this option: (1) You must remain on COBRA and make timely payments for the entire eligibility period to be eligible to begin insurance through the retirement system when COBRA coverage ends, and, (2) You will lose all group term life insurance permanently.

*NOTE: It is the responsibility of the retiree to notify the Employee Benefits Division at least two (2) months before COBRA expires in order to make arrangements to change to the regular retiree group health insurance program.*

OPTION E – Waiver of Enrollment

If you do not wish to continue the Health Insurance coverage at all, please complete the “Decline Coverage” box and then sign and date the “Public School Retiree Payroll Authorization Form (#6200-f-1b).” Once completed, that form should be given to your District School Business Official, or directly to EBD.

If you have any questions about the above options, please contact the Employee Benefits Division. The telephone number is listed on this letterhead and the enclosed forms. If you have questions regarding your benefit status at the time of your retirement or coverage termination, please contact your Agency Insurance Representative.

Please review all the information contained in this packet in order to make the coverage decision that fits you best.

Respectfully,

*Lisa Weathers*  
Benefits Specialist  
Employee Benefits Division

**\*Participating Retirement Systems are: Arkansas Public Employees Retirement System, Arkansas Teacher Retirement System, Judicial Retirement System, Arkansas Highway and Transportation Department Retirement System, and Alternative Retirement System.**

*This procedure is effective April 2004 and supersedes all previous instructions.*

**Forms or Info to Accompany this Letter: Medicare Primary, Medicare Not Primary and COBRA Rate Information for current year, Arkansas Public School Retiree Payroll Authorization (form# 6200-f-1b), and Authorization Agreement for Pre—Authorization Payments (#6200-f-7b).**

# Public School Employees - Retirees not Medicare Primary

Effective October 1, 2004 - September 30, 2005, Self-Insured Health Plan

	Total Monthly Premium	School Contribution	*TOTAL MONTHLY RETIREE COST	Health Savings Account	
				*HSA Mandatory Minimum Monthly Account Contribution	*HSA PPO TOTAL Minimum Monthly Employee Cost
<b>Retiree Only</b>					
BCBS PPO	\$561.27	(\$80.29)	\$480.98	-	-
NovaSys PPO	\$560.77	(\$80.29)	\$480.48	-	-
Health Advantage POS	\$497.37	(\$80.29)	\$417.08	-	-
NovaSys POS	\$496.87	(\$80.29)	\$416.58	-	-
QualChoice POS	\$546.79	(\$80.29)	\$466.50	-	-
Health Advantage HMO	\$488.75	(\$80.29)	\$408.46	-	-
NovaSys HMO	\$488.23	(\$80.29)	\$407.94	-	-
QualChoice HMO	\$514.63	(\$80.29)	\$434.34	-	-
*High Deductible PPO	\$448.83	(\$80.29)	\$368.54	\$20.00	\$388.54
<b>Retiree &amp; Spouse</b>					
BCBS PPO	\$1,069.49	(\$80.29)	\$989.20	-	-
NovaSys PPO	\$1,068.99	(\$80.29)	\$988.70	-	-
Health Advantage POS	\$946.89	(\$80.29)	\$866.60	-	-
NovaSys POS	\$946.39	(\$80.29)	\$866.10	-	-
QualChoice POS	\$1,041.69	(\$80.29)	\$961.40	-	-
Health Advantage HMO	\$930.35	(\$80.29)	\$850.06	-	-
NovaSys HMO	\$929.85	(\$80.29)	\$849.56	-	-
QualChoice HMO	\$979.99	(\$80.29)	\$899.70	-	-
*High Deductible PPO	\$848.27	(\$80.29)	\$767.98	\$20.00	\$787.98
<b>Retiree &amp; Child(ren)</b>					
BCBS PPO	\$810.23	(\$80.29)	\$729.94	-	-
NovaSys PPO	\$809.71	(\$80.29)	\$729.42	-	-
Health Advantage POS	\$716.97	(\$80.29)	\$636.68	-	-
NovaSys POS	\$716.47	(\$80.29)	\$636.18	-	-
QualChoice POS	\$789.09	(\$80.29)	\$708.80	-	-
Health Advantage HMO	\$704.39	(\$80.29)	\$624.10	-	-
NovaSys HMO	\$703.87	(\$80.29)	\$623.58	-	-
QualChoice HMO	\$742.15	(\$80.29)	\$661.86	-	-
*High Deductible PPO	\$644.43	(\$80.29)	\$564.14	\$20.00	\$584.14
<b>Retiree &amp; Family</b>					
BCBS PPO	\$1,224.11	(\$80.29)	\$1,143.82	-	-
NovaSys PPO	\$1,223.59	(\$80.29)	\$1,143.30	-	-
Health Advantage POS	\$1,079.95	(\$80.29)	\$999.66	-	-
NovaSys POS	\$1,079.45	(\$80.29)	\$999.16	-	-
QualChoice POS	\$1,191.43	(\$80.29)	\$1,111.14	-	-
Health Advantage HMO	\$1,060.49	(\$80.29)	\$980.20	-	-
NovaSys HMO	\$1,059.99	(\$80.29)	\$979.70	-	-
QualChoice HMO	\$1,118.87	(\$80.29)	\$1,038.58	-	-
*High Deductible PPO	\$969.41	(\$80.29)	\$889.12	\$20.00	\$909.12
<b>Retiree &amp; Medicare Spouse</b>					
BCBS PPO	\$953.69	(\$80.29)	\$873.40	-	-
NovaSys PPO	\$953.17	(\$80.29)	\$872.88	-	-
Health Advantage POS	\$847.59	(\$80.29)	\$767.30	-	-
NovaSys POS	\$847.09	(\$80.29)	\$766.80	-	-
QualChoice POS	\$929.63	(\$80.29)	\$849.34	-	-
Health Advantage HMO	\$833.29	(\$80.29)	\$753.00	-	-
NovaSys HMO	\$832.77	(\$80.29)	\$752.48	-	-
QualChoice HMO	\$876.23	(\$80.29)	\$795.94	-	-
<b>Retiree &amp; Medicare Spouse &amp; Child(ren)</b>					
BCBS PPO	\$988.47	(\$80.29)	\$908.18	-	-
NovaSys PPO	\$987.97	(\$80.29)	\$907.68	-	-
Health Advantage POS	\$877.93	(\$80.29)	\$797.64	-	-
NovaSys POS	\$877.41	(\$80.29)	\$797.12	-	-
QualChoice POS	\$963.41	(\$80.29)	\$883.12	-	-
Health Advantage HMO	\$863.01	(\$80.29)	\$782.72	-	-
NovaSys HMO	\$862.51	(\$80.29)	\$782.22	-	-
QualChoice HMO	\$907.77	(\$80.29)	\$827.48	-	-

\*Participation in the "HSA PPO (High Deductible)" plan and the Health Savings Account (HSA) are tied. A minimum mandatory member contribution of \$20.00 per month to the HSA is required for participation in the NovaSys HSA High Deductible PPO plan. The Health Savings Account must adhere to federal guidelines. See far right column for total minimum monthly cost.

# Public School Employees - Retirees Medicare Primary

Effective October 1, 2004 - September 30, 2005, Self-Insured Health Plan

	Total Monthly Premium	School Contribution	Total Monthly Employee Cost
<b>Retiree Medicare Only</b>			
BCBS PPO	\$464.63	(\$80.29)	\$384.34
NovaSys PPO	\$464.11	(\$80.29)	\$383.82
Health Advantage POS	\$414.51	(\$80.29)	\$334.22
NovaSys POS	\$414.01	(\$80.29)	\$333.72
QualChoice POS	\$453.25	(\$80.29)	\$372.96
Health Advantage HMO	\$407.73	(\$80.29)	\$327.44
NovaSys HMO	\$407.23	(\$80.29)	\$326.94
QualChoice HMO	\$428.03	(\$80.29)	\$347.74
<b>Retiree Medicare &amp; Spouse</b>			
BCBS PPO	\$953.69	(\$80.29)	\$873.40
NovaSys PPO	\$953.17	(\$80.29)	\$872.88
Health Advantage POS	\$847.59	(\$80.29)	\$767.30
NovaSys POS	\$847.09	(\$80.29)	\$766.80
QualChoice POS	\$929.63	(\$80.29)	\$849.34
Health Advantage HMO	\$833.29	(\$80.29)	\$753.00
NovaSys HMO	\$832.77	(\$80.29)	\$752.48
QualChoice HMO	\$876.23	(\$80.29)	\$795.94
<b>Retiree Medicare &amp; Child(ren)</b>			
BCBS PPO	\$645.33	(\$80.29)	\$565.04
NovaSys PPO	\$644.83	(\$80.29)	\$564.54
Health Advantage POS	\$575.61	(\$80.29)	\$495.32
NovaSys POS	\$575.09	(\$80.29)	\$494.80
QualChoice POS	\$629.53	(\$80.29)	\$549.24
Health Advantage HMO	\$566.19	(\$80.29)	\$485.90
NovaSys HMO	\$565.69	(\$80.29)	\$485.40
QualChoice HMO	\$594.43	(\$80.29)	\$514.14
<b>Retiree Medicare &amp; Spouse &amp; Child(ren)</b>			
BCBS PPO	\$988.47	(\$80.29)	\$908.18
NovaSys PPO	\$987.97	(\$80.29)	\$907.68
Health Advantage POS	\$877.93	(\$80.29)	\$797.64
NovaSys POS	\$877.41	(\$80.29)	\$797.12
QualChoice POS	\$963.41	(\$80.29)	\$883.12
Health Advantage HMO	\$863.01	(\$80.29)	\$782.72
NovaSys HMO	\$862.51	(\$80.29)	\$782.22
QualChoice HMO	\$907.77	(\$80.29)	\$827.48
<b>Retiree Medicare &amp; Spouse Medicare</b>			
BCBS PPO	\$844.67	(\$80.29)	\$764.38
NovaSys PPO	\$844.15	(\$80.29)	\$763.86
Health Advantage POS	\$754.15	(\$80.29)	\$673.86
NovaSys POS	\$753.65	(\$80.29)	\$673.36
QualChoice POS	\$824.15	(\$80.29)	\$743.86
Health Advantage HMO	\$741.91	(\$80.29)	\$661.62
NovaSys HMO	\$741.41	(\$80.29)	\$661.12
QualChoice HMO	\$778.57	(\$80.29)	\$698.28
<b>Retiree Medicare &amp; Spouse Medicare &amp; Child(ren)</b>			
BCBS PPO	\$883.93	(\$80.29)	\$803.64
NovaSys PPO	\$883.43	(\$80.29)	\$803.14
Health Advantage POS	\$788.31	(\$80.29)	\$708.02
NovaSys POS	\$787.79	(\$80.29)	\$707.50
QualChoice POS	\$862.27	(\$80.29)	\$781.98
Health Advantage HMO	\$775.41	(\$80.29)	\$695.12
NovaSys HMO	\$774.91	(\$80.29)	\$694.62
QualChoice HMO	\$814.13	(\$80.29)	\$733.84

Note: IRS Federal law states that Medicare eligible persons are not eligible for a Health Savings Account (HSA) and under our plan, they are not eligible for the NovaSys HSA PPO plan.

# Public School Employees- COBRA

Effective October 1, 2004 - September 30, 2005, Self-Insured Health Plan

	<b>*TOTAL MONTHLY PREMIUM</b>	<b>Health Savings Account</b>	
		<b>*HSA Mandatory Minimum Monthly Account Contribution</b>	<b>*HSA PPO Total Minimum Monthly Employee Cost</b>
<b>Employee Only</b>			
BCBS PPO	\$316.32	-	-
NovaSys PPO	\$315.78	-	-
Health Advantage POS	\$292.88	-	-
NovaSys POS	\$292.34	-	-
QualChoice POS	\$316.40	-	-
Health Advantage HMO	\$284.20	-	-
NovaSys HMO	\$283.70	-	-
QualChoice HMO	\$298.70	-	-
*High Deductible PPO	\$261.14	\$20.00	\$281.14
<b>Employee &amp; Spouse</b>			
BCBS PPO	\$837.76	-	-
NovaSys PPO	\$837.26	-	-
Health Advantage POS	\$772.34	-	-
NovaSys POS	\$771.82	-	-
QualChoice POS	\$837.92	-	-
Health Advantage HMO	\$748.18	-	-
NovaSys HMO	\$747.66	-	-
QualChoice HMO	\$788.54	-	-
*High Deductible PPO	\$671.20	\$20.00	\$691.20
<b>Employee &amp; Child(ren)</b>			
BCBS PPO	\$550.06	-	-
NovaSys PPO	\$549.54	-	-
Health Advantage POS	\$507.84	-	-
NovaSys POS	\$507.32	-	-
QualChoice POS	\$550.20	-	-
Health Advantage HMO	\$492.26	-	-
NovaSys HMO	\$491.76	-	-
QualChoice HMO	\$518.28	-	-
*High Deductible PPO	\$444.97	\$20.00	\$464.97
<b>Employee &amp; Family</b>			
BCBS PPO	\$846.56	-	-
NovaSys PPO	\$846.02	-	-
Health Advantage POS	\$780.90	-	-
NovaSys POS	\$780.38	-	-
QualChoice POS	\$846.76	-	-
Health Advantage HMO	\$756.70	-	-
NovaSys HMO	\$756.18	-	-
QualChoice HMO	\$797.16	-	-
*High Deductible PPO	\$678.20	\$20.00	\$698.20

\*Participation in the "HSA PPO (High Deductible)" plan and the Health Savings Account (HSA) are tied. A minimum mandatory member contribution of \$20.00 per month to the HSA is required for participation in the NovaSys HSA High Deductible PPO plan. The Health Savings Account must adhere to federal guidelines. See far right column for total minimum monthly cost.



STATE OF ARKANSAS  
Department of Finance  
and Administration

**EBD**  
Employee Benefits Division  
Post Office Box 15610  
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Phone: (501) 682-9656 Toll Free: (877) 815-1017 Fax: (501) 682-2366 <http://www.state.ar.us/dfa/ebd>

**Public School Retiree Payroll Deduction Authorization**



(School Business Official use only:)

Date Sent: \_\_\_\_\_

District Name: \_\_\_\_\_ District Number: \_\_\_\_\_

I \_\_\_\_\_, hereby authorize you to deduct from my retirement check such amounts as necessary to pay the premiums for my health insurance plan. I further authorize you to pay such amounts to the insurance company providing such personal insurance or to its authorized representative. **This authorization remains in effect until you receive notification from me in writing that it has been changed or revoked.**

The retirement system that I participate in is (check only one of the following):

☐ Public Employee Retirement System (APERS)

☐ Teacher Retirement System (ATRS)

• If participating in Judicial, Highway or Alternate Retirement System, please contact EBD for another form.

Please indicate last date of employment: \_\_\_\_\_

My current health insurance carrier is (check one)

- |   |   |
|---|---|
| <input type="checkbox"/> Blue Cross Blue Shield PPO | <input type="checkbox"/> NovaSys HSA PPO* |
| <input type="checkbox"/> Health Advantage HMO       | <input type="checkbox"/> NovaSys PPO      |
| <input type="checkbox"/> Health Advantage POS       | <input type="checkbox"/> NovaSys POS      |
| <input type="checkbox"/> QualChoice HMO             | <input type="checkbox"/> NovaSys HMO      |
| <input type="checkbox"/> QualChoice POS             |   |

- ☐ Decline Coverage  
Reason:

☐ Other Insurance

☐ Medicare Only

☐ No Other Coverage

☐ Tricare

Please refer to the rate sheet to determine the amount(s) to record.

Monthly Amount	Self	Self/Spouse	Self/Children	Family
Health Premium				

**If a member is eligible for Medicare and does not have Part B, the plan will pay as though the member does have Part B and the member will have financial responsibility for claims incurred.**

If you or your spouse have Medicare Parts A & B, please provide the following information:

**Retiree**

Medicare HIC # \_\_\_\_\_  
Medicare Part A Effective \_\_\_\_\_  
Medicare Part B Effective \_\_\_\_\_

**Spouse**

Medicare HIC # \_\_\_\_\_  
Medicare Part A Effective \_\_\_\_\_  
Medicare Part B Effective \_\_\_\_\_

**Please sign, date and return within 30 days to the address above, attn: Retirement Section**

Signature \_\_\_\_\_ Date \_\_\_\_\_ SSN \_\_\_\_\_





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**Authorization Agreement for Pre-Authorization Payments**



I (we) hereby authorize the Department of Finance and Administration – Employee Benefits Division to initiate debit entries and to initiate, if necessary, credit entries and adjustments for any debits in error to our bank account indicated below at the financial institution named below, hereinafter called Depository, to debit and/or credit the same such account. Date of draft : 10th of the Month.

Depository Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Routing Number: \_\_\_\_\_ Type of Account: ☐ Checking

☐ Savings

Total amount to be deducted monthly: \_\_\_\_\_

This authorization shall remain in effect unless the Employee Benefits Division has received written notification from me (us) of its termination in such time and in such manner as to afford the Employee Benefits Division and Depository a reasonable opportunity to act on it.

Authorization Signer on Account: \_\_\_\_\_  
(Please print name clearly)

Insured's Social Security No.: \_\_\_\_\_

Signature \_\_\_\_\_  
(Authorized Signer) (Date)

**ATTACH A VOIDED CHECK HERE**  
(DEPOSIT SLIP CANNOT BE USED)

Return this authorization to:  
Employee Benefits Division  
P.O. Box 15610  
Little Rock, AR 72231-5610



# **School Retiree Frequently Asked Questions**

## **Who is eligible for retirement health insurance benefits?**

- The person was insured or eligible for insurance in the group health insurance plan on the last day actively employed by the Public School System; and
- Meets the requirements to participate under the retirement system's contributory plan or non-contributory plan; and
- Completes an application with **31 days** of retirement. After this 31-day period, a person may not enroll in the group health insurance program unless the person experiences a qualifying event.

## **What if I take early retirement and do not qualify for retirement benefits?**

- You are only eligible to continue the health insurance coverage as a COBRA participant. Once you enroll in COBRA you lose all life insurance benefits and they will not be reinstated. Once your COBRA has ended (18 months) and you are eligible to participate in one of the retirement plans, you may enroll at this time. If your COBRA has ended and you still are not eligible for retirement benefits, you must continue some other coverage (except Medicare) until you become eligible. There cannot be a break in coverage at anytime while you are waiting to become eligible for retirement benefits.

## **How do I enroll in the retirement health insurance program?**

- You must complete a Public School Employee Payroll Deduction Authorization Form and send it to EBD within the 31 day election period. Please reference rates for Medicare, Non-Medicare and COBRA for the current year.
- If you are declining coverage at this time, you must complete the Public School Employee Payroll Deduction Authorization Form and check the "Decline Coverage Box." Sign and date the form and return to EBD within the 31 day election period.

## **What if I need help completing the Payroll Deduction Authorization and Enrollment Forms?**

- Your District School Business Official will assist you in completing these papers. However, you must submit these forms to EBD no later than 31 days after becoming retired in order to continue your health/life coverage.
- **THIS IS YOUR RESPONSIBILITY.**

## **What continued health coverage benefits will my covered dependents have should I die?**

- Surviving covered dependents of an insured retiree may continue the group health insurance coverage regardless of their option for survivor's benefits. The premiums for this coverage may be deducted from survivor's benefits where applicable. If no survivor's check is due, the surviving covered dependents will pay premiums directly to EBD monthly by bank draft.

## Who should be notified of the death of a retiree or dependent?

- EBD should be notified immediately upon the death of a retiree or covered dependent so that we can terminate coverage on that member immediately and notify the health carrier. At this time we will also initiate the paperwork if there is to be a reduction in premiums.
- Upon notification of the death of a retiree, EBD will send out a Surviving Dependent letter to any covered dependents on the retiree's plan extending the opportunity for them to continue to be covered under the State and Public School Retirement Health Program.

## If I am eligible for Medicare, do I have to carry both Part A and Part B as a retiree?

- **YES.** Retirees who are eligible for Medicare must carry Part B (physician). The health insurance carrier will coordinate benefits as if Part B is in force. This means that coverage under government programs, including Medicare, required or provided by any statute unless coordination of benefits with any such program is forbidden by law. ***Subscribers and Dependents who are eligible for Medicare must have both Part A and B.*** If a member eligible for Medicare does not have Medicare Part B, the plan will pay as though the member does have Medicare Part B and the member will have full financial responsibility for claims incurred. NOTE: The general Medicare Open Enrollment period is from January through March each year for a July 1<sup>st</sup> effective date. Retirees without Medicare Part B should contact the Social Security Administration about obtaining Part B coverage at 1-800-772-1213. Medicare Part B premiums are monthly and may increase up to 10% for each 12 month period that you could have had Part B but did not sign up for it (there are some special exceptions).

## If I am not eligible for Medicare at the time of retirement, but become eligible at a later date, how do I get the reduced premiums?

- You need to send EBD a copy of your Medicare card as soon as you receive it so that we can make the proper adjustments to your account.

## What if I find my deductions are not correct? Will I get a refund?

- Medicare primary rate will go into effect the first of the month following EBD's receipt of a copy of your Medicare card.
- You need to check your deductions periodically as EBD's policy is to not refund back further than 60 days.

## What are the participating retirement systems?

- Arkansas Public Employees Retirement System (APERS)
- Arkansas Teacher Retirement System (ATRS)
- Judicial Retirement System
- Arkansas Highway Retirement System
- Alternative Retirement System

## What if my annuity check is not large enough for my insurance premiums?

- EBD will set you up as a Cash Retiree and your premiums will be paid by bank draft.

## What are the retirement insurance eligibility rules?

- Are you participating in one of the five (5) retirement plans – APERS, ATRS, Highway, Judicial or Alternate? If yes,
- To be eligible you must have been participating in the group health insurance coverage, or was eligible to participate in the group health insurance coverage on the last day as an active employee. If yes,
- Retirees must apply within 31 days of becoming an active retiree to participate in the group health insurance program. If the retiree does not want to participate in the group health insurance program, the retiree must Decline Coverage by completing the Public School Employee Payroll Deduction Authorization Form and checking the “Decline Coverage” box and return to EBD within 31 days of becoming an active retiree.
- If the retiree declines to participate in the group health insurance program, that decision is final.
- **EXCEPTION LOSS OF ELIGIBILITY.** If the retiree is an active retiree and declined coverage from the group health insurance program within thirty-one (31) days of retirement and specified in writing that the reason for the declination of coverage was because he/she (the active retiree) had coverage through another insurance program or group health plan, and later his insurance coverage is terminated because of loss of eligibility, then the retiree and any dependents shall qualify for coverage in the State sponsored program provided the active retiree applies for coverage within thirty-one (31) days of the loss of eligibility. Examples of when loss of eligibility may occur is termination of employment, decrease in the number of hours worked, marriage, divorce and adoption of a child. An example of when loss of eligibility is not applicable is non-payment of premium and termination for cause. A person may not always lose eligibility for insurance coverage through one of the above-sited circumstances, but frequently they do.
- EBD advises retirees to seriously consider participating in the group health insurance offered to them as an active retiree of one of the five retirement programs. If the retiree declines to participate in group health insurance coverage within 31 days of becoming an active retiree, he must qualify for a loss of eligibility as cited above to become active in the group health insurance program.
- If the retiree is currently employed and the employer offers group health insurance coverage, the retiree may enroll in his current employer plan and drop insurance coverage with the Arkansas State and Public School Employees Group Health Insurance. The retiree may reinstate insurance coverage with the Arkansas State and Public School Employees Group Health Insurance in the future if he/she experiences the loss of eligibility.

## When can I make plan changes?

- Yearly Open Enrollment Period (August 1 – 31 to be effective October 1)
- If you are moving out of state and have an HMO, you can change to a POS or to a PPO Plan at the time of relocation.
- The **only** opportunity for a Retiree to add dependents (other than newly acquired) is if there is a loss of coverage (HIPAA or family status change event).

### **Will I still be covered by life insurance when I retire?**

- At your retirement, you can retain up to ½ of the life insurance amount you had as an active employee, provided you:
  - apply within 31 days of retirement;
  - participate in the health benefit plan for retirees; and
  - are an annuitant under the Teacher Retirement System or Arkansas Public School Retirement System.
- Life insurance premiums will be deducted monthly from your annuity check. If your annuity check is not sufficient to cover your life insurance premiums, you will be billed directly by USABLE Life.
- Accidental Death & Dismemberment and Dependent Life terminate at retirement.

### **Who do I contact to file a life insurance claim if a retiree or dependent dies?**

- USABLE Life needs to be contacted directly at 1-800-370-5856.
- If you need to change a beneficiary, please send that information directly to USABLE Life.

### **If I continue the health coverage plan, will I still be eligible to participate in the prescription drug program?**

- Yes, but prescription coverage is not available separately. Health insurance, prescription benefits and mental / behavioral health coverage are all combined.

#### **We welcome your benefit questions and comments:**

Call the Employee Benefits Division (EBD) at 501-682-9656 or toll free at 1-877-815-1017. You may also visit our website at [www.arkansas.gov/dfa/ebd](http://www.arkansas.gov/dfa/ebd) or send an email to [AskEBD@dfa.state.ar.us](mailto:AskEBD@dfa.state.ar.us).

*Updated March 2005*